

Summary of Financial Results for the First Quarter of Fiscal Year Ending December 31, 2026 [Japanese Standards] (Consolidated)

May 14, 2026

Name of Listed Company: Pigeon Corporation (Stock code: 7956)
 Listing: Prime Market, Tokyo Stock Exchange
 Website: www.pigeon.com
 Representative: Ryo Yano, President and CEO
 Contact Person: Nobuo Takubo, Director, Junior Managing Executive Officer, Chief Strategy Officer / Tel: +81-3-3661-4204
 Scheduled Commencement Date of Dividend Payments: –
 Preparation of Any Additional Explanatory Materials for Financial Results: Yes
 Holding of Any Briefing Session for Financial Results: Yes (For analysts and institutional investors)

(Yen amounts are rounded down to millions, unless otherwise noted.)

1. Consolidated Business Performance for the First Quarter of Fiscal Year Ending December 31, 2026 (January 1 to March 31, 2026)

(1) Consolidated Operating Results (cumulative)

(Millions of yen, unless otherwise noted; Percentage figures denote year-on-year changes)

	Net Sales		Operating Income		Ordinary Income		Net Income Attributable to Owners of Parent	
First quarter ended March 31, 2026	27,707	9.8%	3,645	14.1%	3,697	15.0%	2,309	(0.9)%
First quarter ended March 31, 2025	25,227	6.2%	3,193	18.4%	3,214	8.5%	2,331	22.3%

(Note) Comprehensive income: First quarter ended March 31, 2026 ¥3,230 million (-%)
 First quarter ended March 31, 2025 ¥(276) million (-%)

	Net Income per Share (¥)	Diluted Net Income per Share (¥)
First quarter ended March 31, 2026	19.31	–
First quarter ended March 31, 2025	19.49	–

(2) Consolidated Financial Position

(Millions of yen, unless otherwise noted)

	Total Assets	Net Assets	Equity Ratio (%)
As of March 31, 2026	109,764	84,444	74.3
As of December 31, 2025	110,088	85,887	75.3

(Reference) Equity (Shareholders' equity + Accumulated other comprehensive income)
 As of March 31, 2026 ¥81,604 million
 As of December 31, 2025 ¥82,916 million

2. Cash Dividends

	Annual Dividend (¥)				
	1Q-end	2Q-end	3Q-end	Year-end	Total
FY ended December 31, 2025	–	38.00	–	38.00	76.00
FY ending December 31, 2026	–				
FY ending December 31, 2026 (Forecast)		38.00	–	38.00	76.00

(Note) Revision of dividend forecast from the most recent announcement: None

3. Consolidated Business Performance Forecast for the Fiscal Year Ending December 31, 2026 (January 1 to December 31, 2026)

(Millions of yen, unless otherwise noted; Percentage figures denote year-on-year changes)

	Net Sales		Operating Income		Ordinary Income		Net Income Attributable to Owners of Parent		Net Income per Share (¥)
Full year	113,500	4.0%	13,900	5.6%	14,150	3.4%	9,140	6.7%	76.41

(Note) Revision of business performance forecast from the most recent announcement: None

Notes

(1) Significant changes in the scope of consolidation during the period under review: None

New: – (Company name: –), Excluded: – (Company name: –)

(2) Application of any accounting procedures specific to preparation of quarterly consolidated financial statements:

None

(3) Changes in accounting policies, changes in accounting estimates, and restatements

1) Changes in accounting policies associated with revision of accounting standards: None

2) Changes in accounting policies other than the above 1): None

3) Changes in accounting estimates: None

4) Restatements: None

(4) Number of shares issued (common stock)

1) Number of shares issued at the period-end (including treasury stock)

As of March 31, 2026: 121,653,486 shares

As of December 31, 2025: 121,653,486 shares

2) Number of shares of treasury stock at the period-end

As of March 31, 2026: 2,008,648 shares

As of December 31, 2025: 2,023,423 shares

3) Average number of shares outstanding during the period (cumulative)

First quarter ended March 31, 2026: 119,632,497 shares

First quarter ended March 31, 2025: 119,592,615 shares

(Note) The number of shares of treasury stock at the period-end includes the Company shares held by the board incentive plan (BIP) trust for compensation of directors (114,022 shares as of March 31, 2026; 128,887 shares as of December 31, 2025). The Company shares held by the BIP trust for compensation of directors are also included in the shares of treasury stock to be subtracted in the calculation of the average number of shares outstanding during the period.

* Review of the attached quarterly consolidated financial statements by certified public accountants or auditing corporations: None

* Cautionary statement regarding performance forecast

The forecast and future projections stated in this report have been prepared on the basis of the information and assumption that shall be reasonable as of the date of announcement of this summary information, and the forecast and future projections stated in this report are in no way intended as a promise of achievement as a company.

In addition, the actual results could differ significantly from forecast figures depending on a variety of factors. See the section “(3) Forward-looking Statements Including Consolidated Business Performance Forecast” in “1. Overview of Management Results and Related Matters” on page 5 regarding conditions which are preconditions for business performance forecast and cautions for using the business performance forecast.

Table of Contents of the Appendix

1. Overview of Business Performance and Related Matters.....	2
(1) Overview of Operating Results for the Period Under Review	2
(2) Overview of Financial Position for the Period Under Review	4
(3) Forward-looking Statements Including Consolidated Business Performance Forecast.....	5
2. Quarterly Consolidated Financial Statements and Main Notes	6
(1) Quarterly Consolidated Balance Sheets	6
(2) Quarterly Consolidated Statements of Income and Quarterly Consolidated Statements of Comprehensive Income	8
(3) Notes on Consolidated Financial Statements	10
(Notes on Segment Information etc.)	10
(Notes Regarding Substantial Changes in Shareholders' Equity).....	11
(Notes Regarding Going Concern Assumptions)	11
(Notes Regarding Quarterly Consolidated Statements of Cash Flows)	11

1. Overview of Management Results and Related Matters

(1) Overview of Management Results for the Period Under Review

1) Performance Overview

During the first-three-month period under review, the Japanese economy was on a modest recovery path with personal consumption picking up; nevertheless, close attention must be paid to the impact of the escalating tensions in the Middle East. In the global economy, while a moderate recovery continues despite sluggishness in some regions, the outlook has become increasingly uncertain due to the emergence of geopolitical risks, volatility in financial and capital markets, and U.S. policy developments among other factors.

Against this background, the Pigeon Group has launched its Ninth Medium-Term Management Plan (FY2026–FY2028). Under this plan, we are implementing measures aimed at achieving our new goal of sustained growth with profitability, leveraging the insights gained from our previous business restructuring efforts.

Specifically, based on three basic strategies (product strategy, regional strategy, and reinforcement of management foundations and steady implementation of ESG), we are pursuing a breakthrough in profitability in our existing business fields; concentrating investment to achieve a 20% global market share in the nursing bottle market within the next 10 years; and securing profitability through accelerated growth in the Americas and Europe Business and the Singapore Business, as well as stable growth in the Japan Business and the China Business. We are also strengthening our management foundation to ensure strategy execution through swift decision-making.

In addition to pursuing business growth, the Group implemented a range of measures to achieve its purpose, which is “to make the world more baby-friendly by furthering our commitment to understanding and addressing babies’ unique needs.”

During the first-three-month period under review, net sales increased across all business segments to total ¥27,707 million (up 9.8% YoY), due to strong sales of high-value-added products such as baby care appliances, baby foods, and skincare products in the Japan Business, as well as steady sales of core products including nursing bottles and nipples in overseas segments, primarily in the China Business. On the profit front, higher revenue increased gross profit, and an improvement in the gross profit margin YoY absorbed higher SG&A expenses, including growth investments. As a result, operating income increased to ¥3,645 million (up 14.1% YoY), ordinary income to ¥3,697 million (up 15.0% YoY), and net income attributable to owners of parent decreased to ¥2,309 million (down 0.9% YoY).

The principal exchange rates used to translate revenues and expenses of overseas consolidated subsidiaries for the first-three-month period were as follows:

- US\$1: 156.89 yen (152.62 yen)
- CNY1: 22.65 yen (20.97 yen)

Note: Figures in parentheses represent the exchange rate in the same period of the previous fiscal year.

2) Segment Review

The Group has a total of four reportable segments: Japan Business, China Business, Singapore Business, and Americas and Europe Business.

Please note that, effective from the first-three-month period under review, the reportable segment previously presented as the Lansinoh Business has been renamed the Americas and Europe Business. This is a change in segment name and does not affect the segment information.

The overview of each segment’s performance is given below.

Japan Business

This segment consists of businesses such as the Baby Care Business, Child Care Service Business,

and Health & Elder Care Business. Net sales for the entire segment amounted to ¥9,437 million (up 9.3% YoY), and segment profit was ¥815 million (up 84.7% YoY).

In the Baby Care Business (childcare and feminine products), sales expanded YoY, buoyed by growth in high-value-added products such as baby care appliances, baby foods, and skincare products. As for new products, we launched “Bonyu Jikkan® Sheer” nursing bottles and nipples featuring a translucent design and using nipples made with silicone from eco-friendly materials; “Sukusuku Tablets Strawberry Flavor” designed for toddlers who often lack in vegetable intake; and “Mahou no Awa-awa (Magic Foam) Body Wash” and “Mahou no Awa-awa Shampoo” through Pigeon Kids. As such, we are strengthening our efforts to expand LTV (Lifetime Value) by offering age-up products beyond baby care items.

In terms of sales channels, offline sales improved, and our own e-commerce platform showed robust growth YoY.

As part of its communication initiatives, the Group has been working to continuously strengthen its brand by promoting products and sales through pre-release product trial events and social-media sites, as well as holding seminars for medical practitioners.

In the Health & Elder Care, we enhanced proposals to add value to existing products under our core brand Habinurse and focused on improving profitability through efficient business operations.

Regarding the Child Care Service, we currently provide services at 53 in-company childcare facilities, and will continue to develop this business further while striving to improve the quality of service content.

Overall, earnings in this segment rose significantly YoY, thanks to increased gross profit resulting from expanded sales of high-value-added products and improved factory profit margins, as well as reduced ratio of SG&A expenses.

China Business

Net sales in this segment amounted to ¥10,953 million (up 16.9% YoY), and segment profit was ¥2,904 million (up 6.8% YoY).

In mainland China, sales increased YoY in local-currency terms, driven mainly by growth in mainstay nursing bottles, nipples, and skincare products. In addition, we are enhancing competitiveness through new product launches—including nursing bottles and nipples using new nipple materials, as in the Japan Business, and UV-care products and shampoos under the well-received “Momo-no-ha (Peach leaves) Series.”

In terms of sales channels, sell-out continued to grow, particularly through online channels, and performance remained strong, with GMV (gross merchandise value) during the Women’s Day promotion increasing 20% YoY.

In the South Korean and North American markets (Pigeon brand), where the Group operations are managed through this segment, we continued to strengthen our brand and carried out sales and marketing efforts starting with our local sales subsidiaries. In particular, in the North American market, sales of Pigeon brand baby care products, particularly nursing bottles and nipples, remained strong.

Overall, earnings in this segment rose YoY, as an increase in gross profit due to higher sales and other factors offset upfront investments, including new product promotions in preparation for the “618” e-commerce sales event in June.

Singapore Business

Net sales of the segment amounted to ¥3,585 million (up 3.8% YoY), and segment profit was ¥ 510 million (up 1.3% YoY).

In the ASEAN region, India, and other markets, where Group operations are managed through this segment, sales rose YoY due to solid sales of mainstay products, particularly nursing bottles and nipples. In particular, sales in Malaysia and Australia remained strong. We will continue to target customers in the upper-middle class and higher income brackets, for example by deploying vigorous

sales and marketing activities centered on our core products of nursing bottles, nipples, and baby skincare products, and by further driving the penetration of wide-neck nursing bottles and nipples.

Overall, earnings in this segment rose YoY, due to an improvement in the gross profit margin, among other factors, driven by the growth in highly profitable wide-neck nursing bottles and nipples.

Americas and Europe Business

Net sales of the segment amounted to ¥ 6,146 million (up 8.9% YoY), and segment profit was ¥ 453 million (down 2.5% YoY).

In North America, a vital market for this segment, sales of nursing bottles increased significantly as a result of strengthening promotional initiatives to acquire new customers and increase brand awareness, and sales of mainstay products such as nipple creams also remained solid. However, in the breast-pump category, net sales in local-currency terms decreased YoY due to intensifying competition and other factors. In Europe, sales increased significantly across all major countries, including Germany, the United Kingdom, Turkey, and France. Sales of nursing bottles, nipples, and breast pumps were particularly strong, and net sales in local-currency terms increased YoY.

Overall, earnings in this segment declined YoY, as the increase in gross profit resulting from higher sales was outweighed by marketing expenses to strengthen our presence in the U.S. market for nursing bottles and nipples.

(2) Overview of Financial Position for the Period Under Review

(Assets)

As of March 31, 2026, the Group recorded total assets of ¥109,764 million, down ¥324 million from the end of the previous fiscal year. Current assets decreased by ¥220 million, while fixed assets decreased by ¥103 million.

Current assets decreased mainly due to a decrease in cash and deposits of ¥4,680 million, despite increases in notes and accounts receivable – trade of ¥1,858 million, raw materials and supplies of ¥1,133 million, other current assets of ¥742 million, and merchandise and finished goods of ¥625 million.

Fixed assets decreased mainly due to decreases in buildings and structures of ¥338 million and other intangible fixed assets of ¥25 million, despite an increase in investments and other assets of ¥255 million.

(Liabilities)

As of March 31, 2026, the Group recorded total liabilities of ¥25,320 million, up ¥1,119 million from the end of the previous fiscal year. Current liabilities increased by ¥1,413 million, while fixed liabilities decreased by ¥294 million.

Current liabilities increased mainly due to increases in notes and accounts payable – trade of ¥1,570 million, income taxes payable of ¥335 million, while other current liabilities decreased by ¥569 million.

Fixed liabilities decreased mainly due to a decrease in other fixed liabilities of ¥301 million.

(Net Assets)

As of March 31, 2026, the Group recorded total net assets of ¥84,444 million, down ¥1,443 million from the end of the previous fiscal year.

Net assets decreased mainly due to a decrease in retained earnings of ¥2,263 million, which was partly offset by an increase in foreign currency translation adjustment of ¥910 million.

(3) Forward-looking Statements Including Consolidated Business Performance Forecast

The business environment surrounding the Pigeon Group's core business of childcare and feminine products has been affected by various factors. These include a global trend of declining birth rates, particularly in Japan and China; rising prices; changes in consumers' values, purchasing behavior, and child-rearing styles; and intensified market competition driven by the emergence of local brands. Additionally, in light of rising geopolitical risks and developments in economic policies across countries, uncertainty about prospects for the global economy is intensifying, and forecasting remains as difficult as ever.

Notwithstanding the above concerns, consumption rates can be expected to rise over the medium-to-long term in China, which is still a vast market, and in other Asian countries and emerging economies characterized by large numbers of births and continued economic growth. Furthermore, the Group sees considerable room for growth by creating new demand in Japan, making concerted efforts to expand the baby product business in North America and Europe, and developing markets in which the Pigeon Group has not yet entered.

The current fiscal year ending December 31, 2026 is the first year of the Group's newly launched 9th Medium-Term Management Plan. In this first year of the Plan, the Group will steadily implement various measures in line with the three basic strategies set forth, aiming to achieve sustainable growth with profitability.

For the full-year business performance forecasts for the current fiscal year, we have left unchanged the forecast figures announced at the time of the financial results announcement dated February 13, 2026. Meanwhile, given the situation in the Middle East, it remains highly difficult at this time to forecast the impact of raw material trends and other relevant factors on our performance. Should it become necessary to revise the business performance forecasts going forward, we will promptly make an appropriate disclosure.

2. Quarterly Consolidated Financial Statements and Main Notes

(1) Quarterly Consolidated Balance Sheets

(Millions of yen)

	As of December 31, 2025	As of March 31, 2026
ASSETS		
I. Current Assets:		
Cash and deposits	39,609	34,929
Notes and accounts receivable – trade	18,642	20,500
Merchandise and finished goods	12,600	13,226
Work in process	658	764
Raw materials and supplies	3,006	4,140
Other current assets	2,097	2,839
Allowance for doubtful accounts	(52)	(60)
Total Current Assets	76,561	76,340
II. Fixed Assets:		
1. Tangible Fixed Assets:		
Buildings and structures, net	12,036	11,698
Land	7,351	7,334
Other tangible fixed assets, net	10,287	10,309
Total Tangible Fixed Assets	29,676	29,342
2. Intangible Fixed Assets:		
Other intangible fixed assets	1,179	1,154
Total Intangible Fixed Assets	1,179	1,154
3. Investments and Other Assets:		
Other	2,671	2,927
Total Investments and Other Assets	2,671	2,927
Total Fixed Assets	33,527	33,424
Total Assets	110,088	109,764
LIABILITIES		
I. Current Liabilities:		
Notes and accounts payable – trade	5,121	6,692
Electronically recorded obligations - operating	366	586
Income taxes payable	1,128	1,464
Accrued bonuses to employees	1,119	1,015
Provision for expenses related to voluntary product recall	144	105
Other current liabilities	10,246	9,677
Total Current Liabilities	18,127	19,541
II. Fixed Liabilities:		
Net defined benefit liability	752	747
Provision for share-based remuneration	129	141
Other fixed liabilities	5,191	4,890
Total Fixed Liabilities	6,073	5,779
Total Liabilities	24,201	25,320

(Millions of yen)

	As of December 31, 2025	As of March 31, 2026
NET ASSETS		
I. Shareholders' Equity:		
Capital stock	5,199	5,199
Capital surplus	5,132	5,132
Retained earnings	57,717	55,453
Treasury stock	(1,360)	(1,314)
Total Shareholders' Equity	66,689	64,471
II. Accumulated Other Comprehensive Income:		
Valuation difference on available-for-sale securities	32	27
Foreign currency translation adjustment	16,194	17,105
Total Accumulated Other Comprehensive Income	16,227	17,132
III. Non-controlling Interests	2,970	2,839
Total Net Assets	85,887	84,444
Total Liabilities and Net Assets	110,088	109,764

(2) Quarterly Consolidated Statements of Income and Quarterly Consolidated Statements of Comprehensive Income

Quarterly Consolidated Statements of Income
(For the Three-Month Period)

(Millions of yen)

	Three months ended March 31, 2025	Three months ended March 31, 2026
I. Net Sales	25,227	27,707
II. Cost of Sales	12,331	13,493
Gross profit	12,896	14,214
III. Selling, General and Administrative Expenses	9,702	10,569
Operating Income	3,193	3,645
IV. Non-operating Income:		
Interest income	84	62
Dividend income	11	11
Subsidy income	15	70
Other non-operating income	39	46
Total Non-operating Income	150	190
V. Non-operating Expenses:		
Interest expenses	28	14
Foreign exchange loss	90	112
Other non-operating expenses	10	10
Total Non-operating Expenses	129	138
Ordinary Income	3,214	3,697
VI. Extraordinary Income:		
Gain on sales of fixed assets	0	8
Compensation for damage	331	—
Total Extraordinary Income	331	8
VII. Extraordinary Loss:		
Loss on sales of fixed assets	0	0
Loss on disposal of fixed assets	5	10
Loss on business liquidation	—	71
Total Extraordinary Loss	5	83
Income before Income Taxes	3,540	3,621
Income taxes – current	1,444	1,559
Income taxes – deferred	(284)	(309)
Total Corporate Income Tax	1,159	1,250
Net Income	2,380	2,371
Net Income Attributable to Non-controlling Interests	49	62
Net Income Attributable to Owners of Parent	2,331	2,309

Quarterly Consolidated Statements of Comprehensive Income
(For the Three-Month Period)

(Millions of yen)

	Three months ended March 31, 2025	Three months ended March 31, 2026
Net Income	2,380	2,371
Other Comprehensive Income		
Valuation difference on available-for-sale securities	(7)	(5)
Foreign currency translation adjustment	(2,649)	864
Total Other Comprehensive Income	(2,656)	858
Quarterly Comprehensive Income	(276)	3,230
(Break down)		
Comprehensive income on parent company	(161)	3,215
Comprehensive income on non-controlling interests	(114)	15

(3) Notes on Consolidated Financial Statements (Notes on Segment Information etc.)

Segment Information

I. Three months ended March 31, 2025

1. Information Regarding Net Sales and Profit (Loss) in Each Reportable Segment

(Millions of yen)

	Reportable Segment				Total	Adjustments (Note 1)	Amount recorded in the quarterly consolidated statement of income (Note 2)
	Japan Business	China Business	Singapore Business	Americas and Europe Business			
Net sales							
Net sales to external customers	8,341	9,028	2,216	5,640	25,227	—	25,227
Internal sales or exchange between segments	293	343	1,237	3	1,877	(1,877)	—
Total	8,635	9,372	3,454	5,643	27,105	(1,877)	25,227
Segment profit	441	2,719	504	465	4,130	(936)	3,193

(Notes)

1. The negative amount of ¥936 million of adjustments to segment profit includes negative ¥25 million in elimination of intersegment transactions and negative ¥910 million in non-allocable operating expenses. Non-allocable operating expenses are administrative costs of the Group.
2. Segment profit is adjusted to operating income in the quarterly consolidated statement of income.

II. Three months ended March 31, 2026

1. Information Regarding Net Sales and Profit (Loss) in Each Reportable Segment

(Millions of yen)

	Reportable Segment				Total	Adjustments (Note 1)	Amount recorded in the quarterly consolidated statement of income (Note 2)
	Japan Business	China Business	Singapore Business	Americas and Europe Business			
Net sales							
Net sales to external customers	8,788	10,576	2,199	6,143	27,707	—	27,707
Internal sales or exchange between segments	649	377	1,385	3	2,415	(2,415)	—
Total	9,437	10,953	3,585	6,146	30,122	(2,415)	27,707
Segment profit	815	2,904	510	453	4,684	(1,039)	3,645

(Notes)

1. The negative amount of ¥1,039 million of adjustments to segment profit includes negative ¥88 million in elimination of intersegment transactions and negative ¥950 million in non-allocable operating expenses. Non-allocable operating expenses are administrative costs of the Group.
2. Segment profit is adjusted to operating income in the quarterly consolidated statement of income.

2. Matters Related to Changes in Reportable Segments (Change in Segment Name)

Effective from the first-three-month period under review, the reportable segment previously presented as the Lansinoh Business has been renamed the Americas and Europe Business. This is a change in segment name and does not affect the segment information. In addition, segment information for the corresponding first-three-month period of the previous year has been restated under the renamed segment name.

(Notes Regarding Substantial Changes in Shareholders' Equity)

Not applicable.

(Notes Regarding Going Concern Assumptions)

Not applicable.

(Notes Regarding Quarterly Consolidated Statements of Cash Flows)

We have not prepared quarterly consolidated statements of cash flows for the first-three-month period under review. Depreciation and amortization (including amortization of intangible fixed assets other than goodwill) and amortization of goodwill for the first-three-month period are as follows.

	(Millions of yen)	
	Three months ended March 31, 2025	Three months ended March 31, 2026
Depreciation and amortization	1,163	1,181
Amortization of goodwill	18	—